IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE S.SIRI JAGAN

WEDNESDAY, THE 22ND AUGUST 2007 / 31ST SRAVANA 1929

WP(C).No. 16285 of 2007(L)

PETITIONER:

K.DAMODARAN, S/O.LATE K.P.MENON,
AGED 67 YEARS, A-8, NEW CIVIL NAGAR,
BEHIND CIVIL STATION, PALAKKAD.

BY ADV. SRI.JACOB SEBASTIAN

RESPONDENTS:

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1. THE ADDITONAL DISTRICT MAGISTRATE,
PALAKKAD.

2. THE CORPORATION BANK, PALAKKAD BRANCH,
11/1447, MARKET ROAD, POST BOX NO.315,
PALGHAT-678 014.

BY ADV. SRI.S.K.BALACHANDRAN
GOVERNMENT PLEADER SRI. M.R. SABU

THIS WRIT PETITION (CIVIL) HAVING BEEN FINALLY HEARD ON 22/08/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

W.P.(C)NO.16285 OF 2007.

EXT.P1: TRUE COPY OF THE DEMAND NOTICE DATED 21.03.2007 ISSUED BY THE 2ND RESPONDENT.

2ND RESPONDENT'S EXHIBITS.

ANNEXURE – R2(A): TRUE COPY OF THE LETTER DATED 19.5.2007 SENT BY THE PETITIONER.

ANNEXURE-R2(B): TRUE COPY OF THE ACCOUNT STATEMENT RELATING TO THE PETITIONER'S ACCOUNT.

TRUE COPY

PA TO JUDGE.

S. SIRI JAGAN, J.

W.P.(C)NO.16285 OF 2007

DATED THIS THE 22nd DAY OF AUGUST, 2007

JUDGMENT

The petitioner challenges proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. However, the petitioner only seeks indulgence of this Court in directing the respondents to permit the petitioner to regularize the loan account by paying all the defaulted arrears and to continue paying the instalments on the due dates as per the original loan agreement.

2. This is opposed by the learned counsel for the petitioner appearing for the 2nd respondent. He submits that the petitioner has been thoroughly irregular in the matter of repayment of the loan amount and therefore, he is not eligible for any further indulgence in the matter.

3. After considering arguments on both sides, I feel that some further indulgence can be shown to the petitioner in the matter on conditions.

4. Accordingly, if the petitioner regularizes the loan account by paying all defaulted arrears with interest within a month from today, the 2nd respondent shall permit the petitioner to continue

repayment as per the original repayment schedule in the loan agreement. For this purpose the 2nd respondent shall issue intimation to the petitioner showing the balance amounts due for regularizing the loan account as directed above. If the petitioner complies with the above direction and continues to pay the instalments of repayment of loan amounts on due dates, further coercive proceedings shall be kept in abeyance. However, if the petitioner commits default in either payment of the amounts required for regularizing the loan account or any of the further instalments of repayment, it would be open to the 2nd respondent to continue proceedings as now initiated without having to issue any fresh notice or proceedings in that regard.

The writ petition is disposed of as above.

S. SIRI JAGAN, JUDGE

Acd